

SENATE, No. 3314

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JANUARY 7, 2021

Sponsored by:

Senator NELLIE POU

District 35 (Bergen and Passaic)

SYNOPSIS

Requires NJ Infrastructure Bank to provide incentives to environmental infrastructure projects that, where feasible, employ local residents.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning environmental infrastructure projects and
2 amending P.L.1985, c.334.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 26 of P.L.1985, c.334 (C.58:11B-26) is amended to
8 read as follows:

9 26. a. The trust shall adopt rules and regulations requiring a
10 local government unit which receives a loan or guarantee for a
11 project to establish an affirmative action program for the hiring of
12 minority workers in the performance of any construction contract
13 for that project and to establish a program to provide opportunities
14 for socially and economically disadvantaged contractors and
15 vendors to supply materials and services for the contract, consistent
16 with the provisions of the “Law Against Discrimination,”
17 P.L.1945, c.169 (C.10:5-1 et seq.). Not less than 10 percent of the
18 amount of any contract for construction, materials or services for a
19 project shall be awarded to small business concerns owned and
20 controlled by socially and economically disadvantaged individuals
21 as defined in the “Small Business Act,” Pub.L.85-536 (15 U.S.C.
22 s.631 et seq.), and any regulations promulgated pursuant thereto
23 provided, however, that the projects funded, in whole or in part,
24 with federal funds, the percentage of such contracts awarded to
25 small business concerns owned and controlled by socially and
26 economically disadvantaged individuals shall equal the goal for
27 participation set forth in section 644(g)(1)(A)(iv) of the “Small
28 Business Act,” Pub.L.85-536 (15 U.S.C. s.644). For transportation
29 financing program projects funded in whole with State funds,
30 contracts for construction materials or services shall comply with
31 the small business set aside regulations promulgated pursuant to
32 section 15 of P.L.1983, c.482 (C.52:32-31).

33 b. The trust shall adopt rules and regulations requiring any
34 entity, which receives a loan, grant, or guarantee for a project to pay
35 not less than the prevailing wage rate to workers employed in the
36 performance of any construction contract for that project, in
37 accordance with the rate determined by the Commissioner of Labor
38 and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-
39 56.25 et seq.).

40 c. The trust shall adopt rules and regulations that provide an
41 incentive for any entity, which receives a loan, grant, or guarantee
42 for an environmental infrastructure project that, where feasible,
43 employs applicants that reside in the municipality in which the
44 project is located or in the service area for the project. The
45 incentive provided pursuant to this subsection may include, but is

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 not limited to, priority in the ranking criteria or prioritization
2 methodology for projects or a financial incentive such as principal
3 forgiveness.

4 (cf: P.L.2019, c.194, s.6)

5
6 2. This act shall take effect immediately.

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9 STATEMENT

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11 This bill directs the New Jersey Infrastructure Bank (NJIB)
12 (formerly the New Jersey Environmental Infrastructure Trust) to
13 establish incentives for entities that, where feasible, employ
14 applicants that reside in the municipality in which an environmental
15 infrastructure project is located or in the service area for the project.
16 The incentive may include, but is not limited to, priority in the
17 ranking criteria or prioritization methodology for projects or a
18 financial incentive such as principal forgiveness.

19 Under current law, the NJIB requires a local government unit
20 which receives a loan or guarantee for a project to establish an
21 affirmative action program for the hiring of minority workers in the
22 performance of any construction contract for that project and to
23 establish a program to provide opportunities for socially and
24 economically disadvantaged contractors and vendors to supply
25 materials and services for the contract, consistent with the
26 provisions of the “Law Against Discrimination.”

27 Since its creation in 1985, the NJIB, in partnership with the
28 Department of Environmental Protection, has provided low-cost
29 New Jersey Environmental Infrastructure Financing Program
30 (NJEIFP) loans for the construction of environmental infrastructure
31 projects that enhance and protect ground and surface water
32 resources, ensure the safety of drinking water supplies, and make
33 possible responsible and sustainable economic development. Since
34 1985, NJEIFP loans to local government units and some private
35 water companies have totaled more than \$7.13 billion of which the
36 NJIB has provided more than \$2.9 billion in loans to finance
37 wastewater systems, combined sewer overflow abatement, nonpoint
38 source pollution control, and safe drinking water supplies
39 generating more than 130,000 construction projects throughout the
40 State.